

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 578 be amended to read as follows:

- 1 Page 51, between lines 37 and 38, begin a new paragraph and insert:
- 2 "SECTION 76. IC 5-13-9-2 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Each officer
- 4 designated in section 1 of this chapter may invest or reinvest any funds
- 5 that are held by the officer and available for investment in any of the
- 6 following:
- 7 (1) Securities backed by the full faith and credit of the United
- 8 States Treasury or fully guaranteed by the United States and
- 9 issued by any of the following:
- 10 (A) The United States Treasury.
- 11 (B) A federal agency.
- 12 (C) A federal instrumentality.
- 13 (D) A federal government sponsored enterprise.
- 14 (2) Securities fully guaranteed and issued by any of the following:
- 15 (A) A federal agency.
- 16 (B) A federal instrumentality.
- 17 (C) A federal government sponsored enterprise.
- 18 **(3) Obligations issued, assumed, or guaranteed as to the**
- 19 **payment of principal and interest by the State of Israel.**
- 20 (b) If an investment under subsection (a)(1) is made at a cost in
- 21 excess of the par value of the securities purchased, any premium paid
- 22 for the securities shall be deducted from the first interest received and
- 23 returned to the fund from which the investment was purchased, and
- 24 only the net amount is considered interest income.
- 25 (c) The officer making the investment may sell any securities

acquired and may do anything necessary to protect the interests of the funds invested, including the exercise of exchange privileges which may be granted with respect to maturing securities in cases where the new securities offered in exchange meet the requirements for initial investment.

(d) The investing officers of the political subdivisions are the legal custodians of securities under this chapter. They shall accept safekeeping receipts or other reporting for securities from:

- (1) a duly designated depository as prescribed in this article; or
- (2) a financial institution located either in or out of Indiana having custody of securities with a combined capital and surplus of at least ten million dollars (\$10,000,000) according to the last statement of condition filed by the financial institution with its governmental supervisory body.

(e) The state board of accounts may rely on safekeeping receipts or other reporting from any depository or financial institution.

(f) In addition to any other investments allowed under this chapter, an officer of a conservancy district located in a city having a population of more than four thousand six hundred fifty (4,650) but less than five thousand (5,000) may also invest in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the officer of a conservancy district. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the officer of a conservancy district causes the percentage of investments outstanding under this subsection to exceed twenty-five percent (25%).

(g) In addition to any other investments allowed under this chapter, a clerk-treasurer of a town with a population of more than six thousand three hundred (6,300) but less than ten thousand (10,000) located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000) may also invest money in a host community agreement future fund established by ordinance of the town in:

- (1) municipal securities; and
- (2) equity securities;

having a stated final maturity of any number of years or having no stated final maturity. The total investments outstanding under this subsection may not exceed twenty-five percent (25%) of the total portfolio of funds invested by the clerk-treasurer of a town. However, an investment that complies with this subsection when the investment is made remains legal even if a subsequent decrease in the total portfolio invested by the clerk-treasurer of a town causes the percentage

1 of investments outstanding under this subsection to exceed twenty-five
 2 percent (25%).

3 SECTION 77. IC 5-13-9-5.6 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.6. **(a)** Except for
 5 investments allowed under section **2(a)(3)**, 2(f), or 2(g) of this chapter,
 6 investments made under this chapter must have a stated final maturity
 7 of not more than:

8 (1) five (5) years for a conservancy district located in a city
 9 having a population of more than four thousand six hundred fifty
 10 (4,650) but less than five thousand (5,000);

11 (2) five (5) years for investments made from a host community
 12 agreement future fund established by ordinance of a town with a
 13 population of more than six thousand three hundred (6,300) but
 14 less than ten thousand (10,000) located in a county having a
 15 population of more than one hundred thousand (100,000) but less
 16 than one hundred five thousand (105,000); or

17 (3) **except as provided in subsection (b)**, two (2) years for a fund
 18 or political subdivision not described in subdivision (1) or (2);
 19 after the date of purchase or entry into a repurchase agreement.

20 **(b) An investment made in a security described in section 2(a)(3)**
 21 **of this chapter must have a stated final maturity of not more than**
 22 **five (5) years from the date of purchase."**

23 Renumber all SECTIONS consecutively.

(Reference is to ESB 578 as printed March 18, 2005.)

Representative Murphy